

HOUSE CONSUMER AND PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 256

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

FOR THE

ECONOMIC AND RURAL DEVELOPMENT AND TELECOMMUNICATIONS COMMITTEE

AN ACT

RELATING TO TELECOMMUNICATIONS; AMENDING THE NEW MEXICO  
TELECOMMUNICATIONS ACT TO TERMINATE THE ACCRUAL OF RURAL  
EXTENSION FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the New Mexico  
Telecommunications Act is enacted to read:

"[NEW MATERIAL] TERMINATION OF THE ACCRUAL OF RURAL  
EXTENSION FUNDS.--

A. The obligation of a single telecommunications  
company to accrue additional money to an existing rural  
extension fund shall terminate on July 1, 2005.

B. A telecommunications company with an accrued,  
unspent balance in a rural extension fund as of July 1, 2005  
shall apply the balance to extend local exchange

.154930.3

underscored material = new  
[bracketed material] = delete

1 telecommunications service to qualifying rural customers as  
2 described in the company's commission-approved tariff. If an  
3 unspent balance remains, the commission may establish a plan  
4 directing how a telecommunications company shall apply the  
5 unspent balance to the installation of telecommunications  
6 infrastructure for basic exchange service, digital subscriber  
7 lines or other advanced services in that telecommunications  
8 company's certificated service area or in the  
9 telecommunications company's certificated service area  
10 transferred to a successor company established to serve tribal  
11 lands in the state. A residential or commercial real estate  
12 developer shall not benefit directly from telecommunications  
13 projects funded pursuant to this section.

14 C. As used in this section, "rural extension fund"  
15 means a fund reserved, set aside or in any other manner accrued  
16 by a telecommunications company pursuant to an order, rule,  
17 tariff or other requirement of the commission for the purpose  
18 of supporting or subsidizing the extension of lines or  
19 facilities by the telecommunications company to serve customers  
20 in rural or other low-density service areas.

21 D. Nothing in this section shall remove a  
22 telecommunications company's requirement to comply with a  
23 commission-approved tariff."